

Investment Management Services



Notice

Fund Manager Jarislowsky Fraser Limited

Date October 2016

Notice

On October 12, 2016, Jarislowsky Fraser Limited (JF) announced the resignation of Stanley Wu, co-Portfolio Manager of International Equities and a member of the Investment Strategy Committee. Kelly Patrick, co-Portfolio Manager of International Equities, will continue to manage the international equity strategy as sole portfolio manager.

The firm also announced an addition to the International Equity Team. Brad Darling, CFA, CPA, CA, joined the firm in July 2016 as a Research Analyst with a focus on international banking and financials. Mr. Darling has 14 years of investment experiences and prior to joining JF, Mr. Darling was a Director and Portfolio Manager with the Ontario Teachers' Pension Plan where he managed a portfolio of global financial equities.

In addition, JF announced the appointment of Bruce Beingsner, Partner and Senior Research Analyst, to the Investment Strategy Committee. Mr. Beingsner has been with the firm since 1998.

Products Affected

Jarislowsky Fraser Balanced Fund (GRS)

(The fund's Custom Benchmark has a 12.5% allocation to international equities.)

Impact

Organization

The Investment Strategy Committee is the firm's central investment oversight body, it is comprised of senior investment professionals and is responsible for overseeing the investment process and approving all key investment decisions.

In 2015, JF appointed three new members to the Investment Strategy Committee, including Kelly Patrick in October 2015. Currently the ISC is comprised of 9 senior investment professionals, including portfolio managers of all asset classes.

People

In addition to Portfolio Manager Kelly Patrick, the International Equity Team now consists of seven research analysts. Stanley Wu's research responsibilities in the international Financials and Health Care sectors will be assumed respectively by Mr. Darling and Carrie Yakimovich, Research Analyst on the International Equity Team. Mr. Patrick, having been promoted to Portfolio Manager of International Equities in October 2015, will continue to implement the investment decisions approved by the Investment Strategy Committee in managing the investment equity strategy on a day-to-day basis.

Performance and Risk Characteristics

The Balanced Fund's long term performance has been strong and consistent. As an underlying fund, the International Equity Fund has contributed positively to the balanced mandate's long term performance.

Closing Remarks

Even though the departure of Stanley Wu was unexpected, there are no immediate concerns following the announcement. Over the last few years, JF has gradually added depth and breadth to the International Equity Team including several senior members, and the Portfolio Manager Mr. Patrick has also been co-managing Global Equities since 2012. Furthermore, JF's integrated team-based approach helps to ensure a consistent execution of their investment process to the management of their international equity strategy. IMS will meet with the International Equity Team in the near future to evaluate how this change will impact the day-to-day management of the International Equity strategy going forward and will communicate further should any concern arise.

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